

COMMITTEE ON LEGISLATIVE RESEARCH
OVERSIGHT DIVISION

FISCAL NOTE

L.R. No.: 0708-01
Bill No.: HB 267
Subject: Professional Licenses; Architects
Type: Original
Date: January 31, 2001

FISCAL SUMMARY

ESTIMATED NET EFFECT ON STATE FUNDS			
FUND AFFECTED	FY 2002	FY 2003	FY 2004
PR Fees Fund	\$0	\$0	\$0
Architects, et al, Fund	\$17,911	(\$40,710)	(\$7,210)
Total Estimated Net Effect on <u>All</u> State Funds	\$17,911	(\$40,710)	(\$7,210)

ESTIMATED NET EFFECT ON FEDERAL FUNDS			
FUND AFFECTED	FY 2002	FY 2003	FY 2004
None	\$0	\$0	\$0
Total Estimated Net Effect on <u>All</u> Federal Funds	\$0	\$0	\$0

ESTIMATED NET EFFECT ON LOCAL FUNDS			
FUND AFFECTED	FY 2002	FY 2003	FY 2004
Local Government	\$0	\$0	\$0

Numbers within parentheses: () indicate costs or losses.

This fiscal note contains 5 pages.

FISCAL ANALYSIS

ASSUMPTION

Officials with the **Department of Economic Development–Division of Professional Registration (DPR)**, assume the proposal will result in 150 new licensees. (There were 200 existing licensees under the Landscape Architectural Council.) Projected revenues reflect a \$145 fee for initial licensure, and \$190 for biennial renewal. DPR assumes the Architects, Professional Engineers, Professional Land Surveyors, and Landscape Architects Fund will reimburse the Professional Registration Fund for all expenses, and that new licensing will commence in FY 2002.

DPR assumes the proposal will require employment of a Licensure Technician II (1 FTE at \$24,492 per year) to assist the landscape architectural division of the board, beginning in FY 2003. Rent for this 1 FTE is estimated at \$2,700 yearly.

DPR estimates first year mailing expenses to the new licensees at \$929 (\$6.19 per licensee).

The legislative proposal abolishes the Landscape Architectural Council (six members), and adds three members to the Board of Architects, Professional Engineers, Professional Land Surveyors, and Landscape Architects. The council met twice yearly for one day (12 days' per diem), while the expanded board will meet four times yearly for three days (36 days' per diem). Each year, \$700 was allocated for the council, while the three new board members will require \$1,800 yearly. Therefore, DPR assumes an additional \$1,100 will be expended yearly on board member's per diem. Travel expenses are estimated by DPR at an additional \$1,730.

Oversight notes that the Landscape Architectural Council Fund currently reimburses approximately \$10,000 to the Department of Economic Development, for their share of administrative costs incurred by 3 FTE serving the council, as well as the real estate appraisers and interior design boards. As such, Oversight has adjusted the costs shown in the fiscal note to .75 FTE to more accurately reflect the incremental costs of the proposal. Additionally, Oversight assumes that the new employee will be placed in existing office space, and has therefore eliminated the rent expenditure.

Officials from the **Office of Administration–Division of Budget & Planning**, and the **Coordinating Board for Higher Education** assume the proposal would have no fiscal impact on their agencies.

This bill abolishes the landscape architectural council and transfers its power to the Missouri Board for architects, professional engineers, professional land surveyors and landscape architects. The **Office of the Secretary of State (SOS)** assumes this will require the Division of Professional Registration to promulgate rules. Based on experience with other divisions, the

ASSUMPTION (continued)

rules, regulations and forms issued by the Division of Professional Registration could require as many as 16 pages in the Code of State Regulations. For any given rule, roughly half again as many pages are published in the Missouri Register as in the Code because cost statements, fiscal notes and the like are not repeated in Code. These costs are estimated. The estimated cost of a page in the Missouri Register is \$23.00. The estimated cost of a page in the Code of State Regulations is \$27.00. The actual cost could be more or less than the numbers given. The impact of this legislation in future years is unknown and depends upon the frequency and length of rules filed, amended, rescinded or withdrawn.

Oversight assumes the SOS could absorb the costs of printing and distributing regulations related to this proposal. If multiple bills pass which require the printing and distribution of regulations at substantial costs, the SOS could request funding through the appropriation process. Any decisions to raise fees to defray costs would likely be made in subsequent fiscal years.

<u>FISCAL IMPACT - State Government</u>	FY 2002 (10 Mo.)	FY 2003	FY 2004
ARCHITECTS, PRO. ENGINEERS, PRO. LAND SURVEYORS, AND LANDSCAPE ARCHITECTS FUND			
<u>Income—DPR</u>			
Additional Licenses/Renewals	\$21,750	\$653	\$29,170
<u>Costs—DPR</u>			
Transfers to PR Fees Fund	(\$3,759)	(\$41,363)	(\$36,380)
ESTIMATED NET EFFECT TO ARCHITECTS, ET AL, FUND:	<u>\$17,991</u>	<u>(\$40,710)</u>	<u>(\$7,210)</u>
PR FEES FUND			
<u>Income—DPR</u>			
Transfer from Architects, et al, Fund	\$3,759	\$41,363	\$36,380
<u>Costs—DPR</u>			
Personal Service (.75 FTE)	(\$1,100)	(\$26,831)	(\$27,474)
Fringe Benefits	\$0	(\$6,432)	(\$6,593)
Expense and Equipment	(\$2,659)	(\$8,100)	(\$2,313)
ESTIMATED NET EFFECT TO PR FEES FUND:	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>

FISCAL IMPACT - Local Government

FY 2002
(10 Mo.)

FY 2003

FY 2004

\$0

\$0

\$0

FISCAL IMPACT - Small Business

This proposal would have a direct fiscal impact on small businesses operating as landscape architects.

DESCRIPTION

Landscape Architects:

This bill provides for the licensing of landscape architects with the Division of Professional Registration. Currently, landscape architects are registered with the division. Individuals who meet the criteria established by the bill are eligible to apply for licensure.

The bill dissolves the Landscape Architectural Council and establishes the Missouri Board for Architects, Professional Engineers, Professional Land Surveyors, and Landscape Architects. The membership of the board is increased from 11 to 14, with 3 of the members to be landscape architects. The chairman of the landscape architects division of the board will have one vote when voting on actions before the board. If a vacancy occurs within the landscape architects division of the board, the president of the Missouri Association of Landscape Architects will submit a list of 5 landscape architects to fill the position.

The bill further prohibits persons from holding themselves out as landscape architects without being duly licensed. It does not prohibit persons working in the landscape, nursery, or gardening industry from engaging in their occupations as long as the project scope does not jeopardize public health. The bill waives the licensure requirement for those individuals currently registered with the Division of Professional Registration on or before August 28, 2002.

Architects:

Prior to January 1, 2012, any person who has a total of 12 years of education beyond the high school level and satisfactory architectural experience may apply to the board for licensure.

DESCRIPTION (continued)

Beginning January 1, 2012, all applicants will be required to hold a degree from an accredited school of architecture. Beginning January 1, 2002, each applicant for a license in architecture will be required to complete an intern program as provided by the National Council of Architectural Registration Boards.

This legislation is not federally mandated, would not duplicate any other program and would not require additional capital improvements.

SOURCES OF INFORMATION

Office of the Secretary of State
Office of Administration
Division of Budget & Planning
Department of Economic Development
Division of Professional Registration
Coordinating Board for Higher Education



Jeanne Jarrett, CPA
Director
January 31, 2001